



STATE OF CONNECTICUT
TEACHERS' RETIREMENT BOARD
21 GRAND STREET HARTFORD, CT 06106-1500
Toll-Free 1-800-504-1102 (860) 241-8400 Fax (860) 525-6018 www.ct.gov/trb

VOLUNTARY ACCOUNT INFORMATION

Voluntary Account Deposits

As a member of the Connecticut Teachers' Retirement System, you may elect to contribute to a Voluntary Account. Deposits into this account may be achieved in the following ways:

- A. Payroll Deductions
- B. Lump Sum Payment
- C. Direct Rollover* of pre-tax contributions from Another Qualified Employer Plan I.R.C. 401(a), Profit Sharing Plan I.R.C. 401(k), Tax Sheltered Annuity (TSA) I.R.C. 403(b), Individual Retirement Account (IRA) I.R.C. 408, Deferred Compensation I.R.C. 457.

Voluntary contributions that are submitted via Payroll Deductions (Option A) or through a Lump Sum Payment (Option B) are made on an "after-tax basis" only.

*In accordance with the provisions of the Economic Growth and Tax Relief Reconciliation Act of 2001, effective January 1, 2002, CTRB may accept a Direct Rollover of pre-tax contributions from approved sources (Option C) *providing certain conditions are met*.

Interest accrues on the Voluntary Account in the same manner as your Regular Account. All voluntary contributions received on or before the thirtieth of June will be first credited with interest on the thirtieth of June of the following year. Interest rates vary from year to year.

Voluntary Account Distribution

The balances in your Voluntary Account will be paid in full with regular interest to the date of withdrawal under the following conditions:

- While you are actively teaching (limited to one withdrawal as an active member).
- Upon your termination from public school teaching in Connecticut.
- On death before retirement to your designated beneficiary.
- At retirement in your choice of a lump sum payment, as an additional monthly annuity payment or applied towards the purchase of additional credited service (i.e. military, substitute, etc.)

At the time of withdrawal, any after-tax contributions will not be considered taxable income. The interest accrued on these contributions and any pre-tax contributions made through direct rollover, however, will be considered as taxable income if a lump sum withdrawal is made. Before a lump sum payment is issued, you will be given the opportunity to authorize CTRB to rollover these funds directly into an IRA or other Qualified Plan. At the time of retirement, if you elect to have your voluntary account balances paid to you as an additional monthly annuity payment or applied toward the purchase of additional credited service, the after-tax portion of this account will be added into the "investment in contract" for purposes of determining the portion of your monthly retirement benefit that is non-taxable.

Initiating a Voluntary Account

Forms may be downloaded directly from the State of Connecticut Teachers' Retirement Board website @ www.ct.gov/trb.

A. Payroll Deductions

1. Obtain an *Authorization for Voluntary Deductions Form*.
2. Complete the form and submit to your employer.
3. Your employer will begin withholding voluntary deductions from your check.
4. To increase, decrease or cancel payroll deductions, submit a new form with your employer.

B. Lump Sum Payment

1. Obtain a *Lump Sum Voluntary Payment Form*.
2. Complete the form and submit with your personal check (made payable to CTRB) directly to the PO Box listed on the form.

C. Direct Rollover

1. Obtain a *Direct Rollover/Trustee to Trustee Transfer Request Form*.
2. Complete Section A of the form and have the Custodian/Trustee complete Section B.
3. Return the completed form to CTRB.

Additional Information

All voluntary contributions received on or before the thirtieth of June will be first credited with interest on the thirtieth of June of the following year. Interest rates vary from year to year. A breakdown of your Voluntary Account balances (contributions and interest) will be included as part of your Member Annual Statement of Benefits that is sent to you in the fall of each year. You are permitted to make a one-time withdrawal of your Voluntary Contributions while actively teaching. Voluntary Contributions may be re-initiated but may not be subsequently withdrawn until your termination of service or at the time of retirement.

Please feel free to contact CTRB if you have any questions or need assistance.